



17 North Second Street  
12th Floor  
Harrisburg, PA 17101-1601  
717-731-1970 Main  
717-731-1985 Main Fax  
www.postschell.com

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Christopher T. Wright

cwright@postschell.com  
717-612-6013 Direct  
717-731-1985 Direct Fax

May 14, 2015

***VIA ELECTRONIC FILING***

Rosemary Chiavetta  
Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Petition of PPL Electric Utilities Corporation for an Additional Waiver of Non-Metered Account Multiple Off-Cycle Switching,  
Docket No. P-2014-2445072**

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Dear Secretary Chiavetta:

PPL Electric Utilities Corporation (“PPL Electric” or the “Company”) hereby submits this letter in response to the May 11, 2015 letter submitted by the Retail Energy Supply Association (“RESA”) in the above-referenced matter. In its letter, RESA recommends that the Pennsylvania Public Utility Commission (“Commission”) direct PPL Electric to implement electronic data interchange (“EDI”) protocols that would allow electric generation suppliers (“EGSs”) to specify the enrollment effective date for an accelerated switch to a new EGS or to default service. For the reasons explained below, RESA’s recommendation should be rejected.

On April 3, 2014, the Commission issued Final-Omitted Rulemaking Order in *Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 57 Regulations Regarding Standards For Changing a Customer’s Electric Generation Supplier*, Docket No. L-2014-2409383 (Apr. 3, 2014) (“*Final-Omitted Rulemaking Order*”). Pertinent to RESA’s proposal, Section 57.174 and the Final-Omitted Rulemaking Order require that, by December 15, 2014, electric distribution companies (“EDCs”) are to implement processes to be able to switch metered and unmetered customers to a new EGS or to default service within three business days of receipt of the electronic enrollment, and that multiple switches are to be permitted within a single billing period. However, the Commission provided that any EDC unable to comply by December 15, 2014, may file a petition seeking a waiver that explains the inability to comply and any proposed

alternatives, including the estimated timeframe for full compliance. *Final-Omitted Rulemaking Order*, pp. 27, 30.

On September 25, 2014, PPL Electric filed a Petition at Docket No. P-2014-2445072 seeking the following temporary waivers: (i) a waiver of the requirement for metered account multiple off-cycle switching for the period of December 15, 2014 through July 31, 2015; (ii) a waiver of the requirement for non-metered account multiple off-cycle switching for the period of December 15, 2014 through September 30, 2015; and (iii) a limited waiver of the requirement to preserve all records regarding unauthorized switches for three years for the period of December 15, 2014 through June 30, 2015.<sup>1</sup> On November 10, 2014, RESA filed a letter answer to PPL Electric's Petition, requesting that all EDCs be required to modify the EDI enrollment transaction to permit a new EGS to specify the effective date of the switch.<sup>2</sup> By Order dated December 4, 2014 ("*Temporary Waiver Order*"), the Commission granted the temporary waivers requested in PPL Electric's Petition, and denied the modification requested by RESA.

PPL Electric currently is on track to attain full compliance with Section 57.174 and the *Final-Omitted Rulemaking Order* for all metered accounts as modified by the Commission-approved waivers. However, PPL Electric and its outside vendor have determined that it cannot attain full compliance for non-metered account multiple off-cycle switching for non-metered accounts by September 30, 2015. Therefore, on April 20, 2015, the Company filed the above-reference Petition seeking a further waiver of the requirement for non-metered account multiple off-cycle switching for the period of September 30, 2015 through December 31, 2016.

In its May 11, 2015 letter, RESA states that it is a strong proponent of accelerated switching and that it "does not oppose PPL [Electric's] petition." However, RESA once again seeks to add an additional layer of complexity to the implementation of accelerated switching by requiring *all* EDCs to modify the EDI enrollment transaction to permit a new EGS to specify the effective date of the switch. RESA's proposal should be rejected for several reasons.

First, the Commission previously declined to adopt a substantially similar proposal in the *Final-Omitted Rulemaking Order*. Indeed, in its comments to the proposed accelerated switching regulations, RESA proposed that the Commission adopt a provision that would essentially modify the EDI enrollment transaction to permit a new EGS to specify the effective date of the switch. See RESA Comments to Secretarial Letter Dated March 18, 2014, Attachment A, p. 3. Clearly, the Commission declined to adopt this proposal in the statewide rulemaking proceeding. Therefore, it is entirely inappropriate for RESA to resurrect this very same proposal here.

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<sup>1</sup> PPL Electric also proposed to implement an interim switching measures that will allow every metered shopping customer to: (i) make a single off-cycle three-business day switch within a single billing period to either a new EGS or default service; (ii) after one off-cycle switch has been made for a single billing cycle, make an on cycle switch to either a new EGS or default service with service to become effective for the next billing period; and (iii) upon verbal request from the customer, make one additional manual off-cycle switch within a single billing period to be returned to default service within three business days. By Secretarial Letter dated October 23, 2014, the Commission approved PPL Electric's interim switching measure, and directed the Company to implement this interim switching measure on or before December 15, 2014.

<sup>2</sup> See RESA Letter to Rosemary Chiavetta, dated November 10, 2014, at Docket No. P-2014-2445072.

Second, the Commission previously considered and expressly rejected RESA proposal in the *Temporary Waiver Order*. Indeed, the issues and relief requested in RESA's May 11, 2015 letter in response to PPL Electric's September 25, 2014 Petition are identical to the issues and relief requested in RESA's November 10, 2014 letter here. The Commission, however, expressly declined to adopt RESA's proposed modification. See *Temporary Waiver Order*, pp. 6-12. Notably, RESA has failed to identify any changes in facts or law that would warrant a departure from the Commission's prior ruling in the *Temporary Waiver Order*. RESA's attempts for multiple bites at the proverbial apple are inappropriate and should be rejected.

Third, RESA's proposal is clearly directed at *all* EDCs and not just PPL Electric. It would be inappropriate, prejudicial, and a denial of due process for the Commission to make such a statewide and novel determination without providing all potentially affected EDCs the opportunity to fully participate and/or comment in a formal rulemaking or other appropriate proceeding that has statewide affect.

Fourth, the Electronic Data Exchange Working Group guidelines for 814 enrollment requests don't currently support the ability to allow EGSs to specify a start date. Consequently, these guidelines would first need to be updated before RESA's proposal could be implemented.

Fifth, despite its assertion to the contrary, RESA's proposal could shift the management of the rescission period from the EGSs to EDCs. Under 52 Pa. Code § 54.4(d), EGSs must provide customers with three-day rescission period following receipt of the disclosure statement of the terms and conditions of the service. Section 57.173 requires that the selected EGS hold the enrollment request until the three business day rescission period has expired or a future date specified by the customer. 52 Pa. Code § 57.173. Under RESA's proposal, however, an EGS could immediately transmit customer enrollments to be effective for a future date specified by the customer, which would require the EDC to manage the three-day rescission day period rather than the EGS as required by Section 54.4(d). Although RESA states it "understands" that its proposal does not transfer to the EDCs the responsibility to ensure the rescission period is honored, RESA has failed to even attempt explain how the management of the rescission period would not be shifted from the EGSs to EDCs under RESA's proposal.

Sixth, EGSs already have a remedy to address the concerns and reasons raised by RESA in support of its proposal. When a customer has provided the selected EGS or current EGS with oral confirmation or written authorization to select the new EGS or default service provider, consistent with electric data transfer and exchange standards, the EDC shall make the change within three business days of the receipt by the EDC of the electronic enrollment transaction. If, however, suppliers want a specific start date, they can hold the enrollment request until three business days before the requested date and then submit the electronic enrollment transaction.

Seventh, PPL Electric is concerned that under RESA's proposal, if adopted, there could be challenges from multiple EGSs trying to enroll the same customer. For example, if Supplier A sends an enrollment on January 15 requesting a start date of February 1, and Supplier B sends enrollment on January 20 requesting a start date of January 30, it is entirely unclear which

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supplier takes precedence. Does the last EDI submitted trump the first EDI, or does Supplier B serve from January 30 to February 1 and Supplier A serve after February 1? Clearly, additional rules and guidance need to be developed to resolve these issues before RESA's proposal could be adopted.

Finally, PPL Electric's existing billing system simply cannot accommodate the new EDI protocols required to allow EGSs to specify the enrollment effective date for an accelerated switch. RESA's proposal would add an additional layer of technical difficulty and cost on an already complex, costly, and time consuming redesign of PPL Electric's billing system. The modifications necessary to implement RESA's proposal are not part of the system changes already underway to implement the interim measure and the fully-compliant automated multiple off-cycle, three business day switching. Thus, RESA's proposal would require additional changes to PPL Electric's billing system that would further delay the implementation of both the interim measure and the fully compliant accelerated switching measure.

PPL Electric currently is on track to attain full compliance with Section 57.174 and the *Final-Omitted Rulemaking Order* for all metered accounts as modified by the Commission-approved waivers. If the pending Petition seeking a further waiver of the requirement for non-metered account multiple off-cycle switching is granted, all non-metered accounts will attain full compliance by December 31, 2016. RESA's proposal, if adopted, would significantly delay this improvement in the switching timeframes and the customer benefits therefrom. Further, there additional rules and guidance that need to be developed before RESA's proposal could be adopted. For the many reasons stated above, as well as those previously decided in the Commission's *Temporary Waiver Order*, PPL Electric respectfully requests that the Commission reject RESA's proposal.

Respectfully submitted,



Christopher T. Wright

CTW/jl

cc: Certificate of Service

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

### VIA E-MAIL and FIRST CLASS MAIL

Johnnie Simms, Esquire  
Bureau of Investigation & Enforcement  
PO Box 3265  
Commonwealth Keystone Building  
400 North Street, 2nd Floor West  
Harrisburg, PA 17105-3265

Tanya J. McCloskey, Esquire  
Kristine E. Robinson, Esquire  
Aron J. Beatty, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5th Floor  
Harrisburg, PA 17101-1923

John R. Evans  
Office of Small Business Advocate  
Commerce Building  
300 North Second Street, Suite 202  
Harrisburg, PA 17101

H. Kirk House, Director  
PA Public Utility Commission  
Office of Competitive Market Oversight  
Commonwealth Keystone Building  
400 North Street, 3rd Floor, Room N-309  
Harrisburg, PA 17105-3265

Deanne M. O'Dell, Esquire  
Eckert Seamans Cherin & Mellott, LLC  
213 Market Street  
8<sup>th</sup> Floor  
Harrisburg, PA 17101  
*Counsel for RESA*

Date: May 14, 2015

  
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Christopher A. Wright